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Washington DC— Rep. Steve Israel (D-New York) applauded the House passage of a provision he fought for to boost energy-efficiency jobs through loan guarantees for energy efficiency projects. The Jobs for Main Street Act passed today in the House includes a provision that allows federal loan guarantees to be applied to energy efficiency projects, which will help support innovative financing mechanisms for commercial and residential properties such as Property Assessed Clean Energy (PACE) bonds.

“Energy efficiency is a proven job creator and expanding efficiency projects with innovative financing mechanisms like PACE bonds and loan guarantees will help property owners get efficient, reduce emissions, and create new jobs and new opportunities for our clean energy businesses,” Rep. Israel said. “I’m pleased that the House approved expanding the Department of Energy loan guarantee authority to include energy efficiency projects and I look forward to expanding PACE bond programs across the country.”

Rep. Israel has been one of the strongest voices for programs that provide consumers with financing tools to speed up their return on investment for energy efficiency upgrades. Programs like PACE bonds relieve home-owners and property owners of prohibitive up-front costs and result in immediate energy savings.

According to PACE Now, an independent coalition of PACE bond supporters, it is estimated that the potential for PACE bonds could exceed \$500 billion. For most energy retrofit projects, property owners can expect to see an immediate energy savings of 20 – 40 percent. PACE bonds finance energy efficiency upgrades, such as double insulated windows, as well as the installation of clean energy technologies, such as solar panels or geothermal heat pumps.

There are more 150 energy efficiency financing programs in the United States, but many have limitations that include short repayment periods, high interest rates, credit requirements that do not account for energy savings, a lack of options for recent homebuyers and limited availability for households most in need. PACE bonds have several advantages for participants over other financing options, including a longer repayment period (up to 20 years), a lien attached to the property – not the owner, reduced transaction costs, tax benefits and low interest rates.

Rep. Israel serves on the House Appropriations Subcommittee on Energy and Water. He is the co-chairman of the House Sustainable Energy and Environment Coalition. This coalition of over 50 members recently sent a letter to the House Leadership urging for expansion to the loan guarantee program to support energy efficiency projects.